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TO: Distribution DATE: April 19, 1989 SUWARNA

FROM: Marketing Information & Analysis/Jacqueline Lee APR 20 1989

SUBJECT: Vantage Excel & Chelsea -- Flash Reports

This memo reports on the test market performances of two new product innovations by RJR:

(1) Vantage Excel Lights 100s, which is promoted as a cigarette which releases less side-stream smoke, began shipments during January 1989 in New Orleans, Little Rock and Detroit. Vantage's SDIs in these markets are respectively 93, 204 and 54.

(2) Chelsea, which is promoted as "the first cigarette that smells good" and emits vanilla scented smoke when lit, began shipments during March in Eastern Pennsylvania, Nevada and Tampa/Orlando. Hereafter, a separate memo on Chelsea will be issued.

The attached tables outline Vantage's and Chelsea's shares and distributions according to the various data sources available.

SUMMARY

Vantage Excel

- In obtaining an early read on Vantage Excel's performance, retail audits are currently being conducted in the New Orleans market, with retail distribution sweeps in the remaining two test markets.

  Current bi-weekly Retail Audit share data in New Orleans position the brand at 0.4, down -0.3 share points from the previous two weeks (2-wks 4/2). Bear in mind that the high shares seen in recent periods (0.8, 0.7) were likely fueled by the media-delivered free-pack coupon. Approximately 21% of the brand's current share is due to promotional product.

  At the end of March, Vantage Excel's current retail availability is 85% in New Orleans, and 73% in Little Rock and 63% in Detroit during mid-March.

- Current supermarket scanner data in New Orleans register the brand at a 0.3 share, down -0.2 from the previous week (w/e 4/2 FlashScan). At the end of February, 39% of the supermarkets in New Orleans sold the brand. In Little Rock, Vantage Excel registers a 0.2 share, with 61% of the stores selling the product (w/e 2/26 InfoScan). InfoScan data are not available for Detroit.

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Source: https://www.industrydocuments.ucsf.edu/docs/pjdy0004

- Exclusive of promotional product during the latest four weeks, ICC distributor shipments to retail position Vantage Excel at a 0.2 share in each test market (4-wks 4/2).

- Consistent with Vantage's SDIs in New Orleans, Little Rock and Detroit, MSA data place Vantage Excel at 0.8, 1.0 and 0.7, respectively, after two months of shipments (2mm February).

- Promotional activities include B1G1Fs, $2-off cartons, posters and shelf talkers. Some B1G1F offers also contain coupons for $2 off cartons or three-pack purchases.

Chelsea

- According to retail audits being conducted in Eastern Pennsylvania with additional distribution sweeps in Nevada and Tampa/Orlando, Chelsea exhibits a 0.1 share in Eastern Pennsylvania, with 30% of the stores carrying the brand (w/e 4/9). Distribution in Nevada and Tampa/Orlando are 34% and 22% (w/e 4/2).

- Respectively in Eastern Pennsylvania, Nevada and Tampa/Orlando, ICC data (w/e 4/2) position Chelsea at shares of 0.7, 0.1 and 0.4.

- March MSA data are not currently available.

- Reportedly, magazine ads and packs will include a panel that when scratched releases a sample of the scent. Promotional incentives are expected to include a compact lighter featuring a mirror, free-pack coupons and B1G1Fs.

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Source: https://www.industrydocuments.ucsf.edu/docs/pjdy0004

Please call if you have any questions or comments.

VNTGEXCL/jl

Jacqueline

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